

DONOVAN WALKER
Lead Counsel
dwalker@idahopower.com

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IDAHO PUBLIC
UTILITIES COMMISSION

March 22, 2023

VIA ELECTRONIC FILING

Jan Noriyuki, Secretary
Idaho Public Utilities Commission
11331 W. Chinden Blvd., Bldg 8,
Suite 201-A (83714)
PO Box 83720
Boise, Idaho 83720-0074

Re: Case No. IPC-E-22-29
In the Matter of Idaho Power Company's Application for Approval of a Power
Purchase Agreement with Pleasant Valley Solar, LLC


Dear Ms. Noriyuki:

Attached for electronic filing, please find Idaho Power Company's Redacted Reply
Comments in the above matter.

The confidential version will be provided separately via an encrypted email to
parties who sign the protective agreement.

Please feel free to contact me directly with any questions you might have about
this filing.

Very truly yours,



Donovan E. Walker

DEW:sg
Enclosures

CERTIFICATE OF ATTORNEY

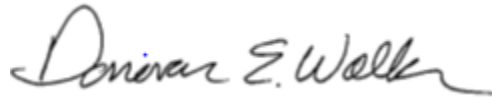
ASSERTION THAT INFORMATION CONTAINED IN AN IDAHO PUBLIC UTILITIES COMMISSION FILING IS PROTECTED FROM PUBLIC INSPECTION

Case No. IPC-E-22-29

Idaho Power Company's Application for Approval of a Power Purchase Agreement with Pleasant Valley Solar, LLC

The undersigned attorney, in accordance with RP 67, believes that the Idaho Power Company's Confidential Reply Comments dated March 22, 2023, may contain information that Idaho Power Company or a third party claims is confidential as described in *Idaho Code* § 74-101, *et seq.*, and § 48-801, *et seq.*, and as such is exempt from public inspection, examination, or copying.

DATED this 22nd day of March 2023.



Donavan Walker
Counsel for Idaho Power Company

DONOVAN E. WALKER (ISB No. 5921)
Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, Idaho 83707
Telephone: (208) 388-5317
Facsimile: (208) 388-6936
dwalker@idahopower.com

Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)	
COMPANY'S APPLICATION FOR)	CASE NO. IPC-E-22-29
APPROVAL OF A POWER PURCHASE)	
AGREEMENT WITH PLEASANT VALLEY)	IDAHO POWER COMPANY'S
SOLAR, LLC.)	REPLY COMMENTS
_____)	

COMES NOW, Idaho Power Company ("Idaho Power" or "Company"), and hereby respectfully submits the following Reply Comments in response to Comments of the Commission ("IPUC or Commission") Staff dated March 8, 2023.

I. REPLY COMMENTS

A. Background - On November 14, 2022, Idaho Power filed an Application seeking approval of a 20-year Power Purchase Agreement ("PPA") entered into with Pleasant Valley Solar, LLC ("Pleasant Valley Solar" or "Seller"). The PPA was entered into for the purchase and sale of energy and Green Tags for the benefit of Brisbie, LLC ("Brisbie" or "Customer") pursuant to a Special Contract between Idaho Power and Brisbie ("Special Contract"). The Special Contract between Idaho Power and Brisbie was also filed for review and approval with the Commission on December 22, 2021, Case No. IPC-

E-21-42. Section 3.1 of the PPA requires Commission approval of both the PPA and the Special Contract or the PPA may be terminated.

B. Staff Comments - Staff filed its Comments regarding the PPA in this matter on March 8, 2023, Case No. IPC-E-22-29, recommending approval of the PPA conditioned upon the Parties updating the PPA to reflect the following: (1) Correcting the degradation factors in Section 1.35; (2) Ensuring the term Expected Energy is used correctly in the PPA; (3) Modifying Section 23 to reflect significance of Commission approval; and (4) Including transmission-related costs in calculating Liquidated Damages for Output Shortfall.

C. Reply Comments - Filed herewith and included herein as Attachment 1 is the fully executed First Amendment to the Power Purchase Agreement Between Pleasant Valley Solar, LLC and Idaho Power Company (“First Amendment”). Idaho Power and Pleasant Valley Solar entered into the attached First Amendment to incorporate all of Staff’s recommended changes from Staff’s March 8 Comments. The First Amendment addresses all the issues identified by Staff: (1) Section 1.35 is amended to correct the degradation factor starting time; (2) Section 7.12.1 and 7.12.2.2 are both amended to replace “Expected Energy” with “Estimated Net Output Amount”; (3) Section 23 is amended to add language recognizing and requiring Commission approval of any PPA modification(s); and (4) Section 7.12.2.3 is amended to include transmission related costs into the liquidated damages for Output Shortfall.

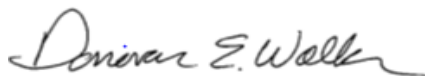
Idaho Power believes the attached and executed First Amendment makes the necessary changes to the PPA required to implement Staff’s recommendations. The PPA contains provisions in Section 3.1 that require it to be approved by the Commission.

Additionally, there are provisions that provide for a day-for-day extension of the Scheduled Commercial Operation Date and the Guaranteed Commercial Operation Date if not approved prior to May 11, 2023, (six months after filing for approval with the Commission). Additionally, the PPA is also conditioned upon the Commission's approval of the Special Contract between Brisbie and Idaho Power, of which this PPA is intended to support.

II. CONCLUSION

Idaho Power appreciates Staff's review and consideration of the issues in this case and the opportunity to offer these Reply Comments to address Staff's recommendations. Idaho Power respectfully requests that the Commission approve the PPA, the First Amendment thereto, and the Special Contract submitted in Case No. IPC-E-21-42 on or before May 11, 2023.

Respectfully submitted this 22nd day of March 2023.



DONOVAN E. WALKER
Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

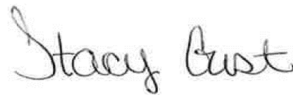
I HEREBY CERTIFY that on the 22ND day of March 2023, I served a true and correct copy of the foregoing Idaho Power Company's Reply Comments upon the following named parties by the method indicated below, and addressed to the following:

Chris Burdin
Idaho Public Utilities Commission
P.O. Box 83720
11331 West Chinden Blvd, Bldg 8
Suite 201-A
Boise ID 83714

Emailed to:
chris.burdin@puc.idaho.gov

Darrell Early
Ed Jewell
Wil Gehl
Boise City Attorney's Office
150 N. Capitol Blvd.
P.O. Box 500
Boise, Idaho 83701-0500

Emailed to:
BoiseCityAttorney@cityofboise.org
dearly@cityofboise.org
ejewell@cityofboise.org
wgehl@cityofboise.org



Stacy Gust, Regulatory Administrative
Assistant

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-22-29**

IDAHO POWER COMPANY

**REDACTED
ATTACHMENT 1**

**First Amendment to the Power Purchase
Agreement**

FIRST AMENDMENT TO THE POWER PURCHASE AGREEMENT

BETWEEN

PLEASANT VALLEY SOLAR, LLC

AND

IDAHO POWER COMPANY

This First Amendment to the Power Purchase Agreement (“First Amendment”) is effective as of March 10, 2023 (“Effective Date”) and is entered into by and between Idaho Power Company, an Idaho corporation (“Idaho Power”) and Pleasant Valley Solar, LLC (“Seller”), (individually a “Party” and collectively the “Parties”).

WHEREAS, Idaho Power entered into the Power Purchase Agreement (“PPA”) with the Seller on October 27, 2022, for the purchase and sale of energy and Green Tags for the benefit of Brisbie, LLC (“Brisbie” or “Customer”) pursuant to a Special Contract between Idaho Power and Brisbie (“Special Contract”). The PPA was filed for review and approval with the Idaho Public Utilities Commission (“Commission”) on November 14, 2022, Case No. IPC-E-22-29. The Special Contract between Idaho Power and Brisbie was also filed for review and approval with the Commission on December 22, 2021, Case No. IPC-E-21-42. Section 3.1 of the PPA requires Commission approval of both the PPA and Special Contract or the PPA may be terminated. Both matters are pending final orders from the Commission.

WHEREAS, Commission Staff filed its Comments regarding the PPA on March 8, 2023, Case No. IPC-E-22-29, recommending approval of the PPA conditioned upon the Parties updating the PPA to reflect the following: (1) Correcting the degradation factors in Section 1.35; (2) Ensuring the term Expected Energy is used correctly in the PPA; (3) Modifying Section 23 to reflect significance of Commission approval; and (4) Including transmission-related costs in calculating Liquidated Damages for Output Shortfall.

WHEREAS, the Parties desire to enter into this First Amendment to the PPA to address the conditions recommended by Commission Staff and submit the same for the Commission’s approval of the PPA with this First Amendment.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the Parties hereto agree as follows:

1. Incorporation of Recitals. The above-stated recitals are incorporated into and made a part of the PPA, as amended, by this reference to the same extent as if these recitals were set forth in full at this point.

2. **Amendment.** (new language is underlined, and deleted language uses ~~strikethrough~~)

A. Section 1.35 of the PPA shall hereby be Amended as follows:

“1.35 ‘Expected Energy’ means ██████████ of Net Output in the first, full Contract Year, reduced by an annual degradation factor of 1.0 percent in the second ~~first~~ Contract Year, and...”

B. Section 7.12.1 of the PPA shall hereby be Amended as follows:

“7.12.1 Output Guarantee. Seller is obligated to deliver a quantity of Net Output during each month which is equal to the Output Guarantee. For purposes of this Agreement, "Output Guarantee" for any month means the sum of (i) 90% of the Estimated Net Output Amount ~~Expected Energy~~ of the Facility for such month, less ...”

C. Section 7.12.2.2 of the PPA shall hereby be Amended as follows:

“... Output Shortfall = (90% of the Estimated Net Output Amount ~~Expected Energy~~ for the month) ...”

D. Section 23 of the PPA shall hereby be Amended as follows:

“... No modification hereof shall be effective unless it is in writing and executed by both Parties: and subsequently approved by the Commission.”

E. Section 7.12.2.3 of the PPA shall hereby be Amended as follows:

“... Seller shall pay Idaho Power liquidated damages equal to (i) the product of (A) the Output Shortfall for that month, multiplied by (B~~ii~~) Idaho Power's Cost to Cover for that month, plus (iii) additional transmission charges, if any, reasonably incurred by Idaho Power for replacement energy. The Parties acknowledge that replacement power purchased within Idaho Power's balancing authority area, or at Idaho Power's border with an adjacent balancing authority area, does not incur additional transmission charges for purposes of this Agreement. ...”

3. **Commission Approval.** The obligations of the Parties under this First Amendment are subject to the Commission's approval of this First Amendment and such approval being upheld on appeal, if any, by a court of competent jurisdiction.

4. **Effect of Amendment.** Except as expressly amended by this First Amendment, the terms and conditions of the PPA remain unchanged.

5. **Capitalized Terms.** All capitalized terms used in this First Amendment and not defined herein shall have the same meaning as in the PPA.

6. **Scope of Amendment.** This First Amendment shall be binding upon and inure to the benefit of the Parties hereto, and their respective heirs, executors, administrators, successors, and assigns, who are obligated to take any action which may be necessary or proper to carry out the purpose and intent hereof.

7. **Authority.** Each Party represents and warrants that as of the Effective Date: (i) it is validly existing and in good standing in the state in which it is organized, (ii) it is the proper party to amend the PPA, and (iii) it has the requisite authority to execute this First Amendment.

8. **Counterparts.** This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single instrument.

IN WITNESS WHEREOF, the Parties hereto have caused this Second Amendment to be duly executed as of the date above written.

IDAHO POWER COMPANY

PLEASANT VALLEY SOLAR, LLC

By: 

By: 

Name: Adam Richards

Name: Luigi Resta

Title: COO

Title: Authorized Signatory